

**Commonwealth of Kentucky
Franklin Circuit Court
Division II
Civil Action No. 06-CI-00114**

OFFICE OF FINANCIAL INSTITUTIONS,
PETITIONER

VS.

**Affidavit in Response to Respondent's
Response to Motion for Summary Judgment**

JEWELL ROBBINS, ET AL,
RESPONDENTS

Comes the affiant, Ronda Paul, and states the following:

1. I am the investigator for the Office of Financial Institutions ("OFI") assigned to the Jewell Robbins/Spindletop (hereinafter, "Robbins") case since November of 2004.
2. As part of the investigation of the Robbins case, I have reviewed bank records relating to Ms. Robbins activities related to her sale of interests in litigation and judgments purporting to be on behalf of rightful heirs to the Spindletop oil fields. These interests are referred to as "sales and assignments" in her literature and in the documents she gives to investors to evidence their investment.
3. When I took over this investigation, bank records from three accounts related to this activity had already been obtained from National City Bank by OFI for the years 2001 to 2003. All of the items deposited into the accounts were made payable to and endorsed by "Jewell Robbins" and nearly all of the checks written out of the account were signed by Jewell Robbins. None of the deposited items appeared to be from any source other than investors. The total amount deposited into the three accounts (one for Mark and Jewell Robbins, one for Meadors Case, and one for BD&J Corporation) exceeded two and a half (2.5) million dollars.

4. At a meeting with Ms. Robbins and her attorney, Ron Bowling, on April 19, 2005, representatives of OFI (including myself) were assured that all sales would cease (See Exhibit A). We awaited compliance with respect to other information covered by our subpoena duces tecum not supplied at that meeting relying on this representation.
5. When information came to our attention that such sales were continuing in spite of the assurances, the same three accounts at National City Bank were subpoenaed for the six-month period between the April 19th meeting and October 20, 2005. A review of these records disclosed that again all deposited items were made payable to and endorsed by Jewell Robbins and that all of the outgoing items were signed by Jewell Robbins. Again none of the deposited items appeared to be from any source other than investors. The total amount deposited for this six-month period was just slightly less than half a million dollars.
6. A formal administrative action was commenced which culminated in the Agreed Injunction signed on June 12, 2006 and entered thereafter in Franklin Circuit Court.
7. Through sources unrelated to Ms. Robbins, I was made aware of new accounts opened by Ms. Robbins at US Bank into which investor funds were being deposited. One of the accounts was a joint account for Alvina J. Robbins and Terri Stone, the other was an account for Alvina J. Robbins, DBA Alvina J. Robbins Legal Research. Records for the items deposited into those accounts were subpoenaed for the period since opening through February, 2007.
8. The deposits into the joint account referenced *supra* for the November through February period totaled approximately \$207,000. The deposits into the DBA account referenced *supra* totaled \$134,000.
9. A search was made of the above records for the names of the attorneys and other parties named in the materials filed by Robbins' attorney yielding the following results:
 - a. No checks to F. Scott Flow (attorney in Texas) were found during the periods for which the records were obtained.
 - b. No checks were found to Paul Kratzig (attorney in Texas) for the periods for which records were obtained.
 - c. A check for \$5,000 was found to Laura Crowell (attorney in California) last year.
 - d. No payments were found to Trevor Adam Crowell (one of the "second parties" in the SETTLEMENT AGREEMENT dated July 28, 2005 filed by Ms. Robbins.
 - e. Wire transfers out of Robbins' accounts totaling \$20,000 were made to an account for Jaffer Hamood at Morgan Stanley in New York City.
10. I spoke with Mr. Mike Taylor of Miller, Mayer, Sullivan & Stevens LLP, accountants last month, and was told that, while an agreement has existed since the 1980s with Ms. Robbins to distribute any proceeds from litigation to investors through an account at Fifth Third Bank, no funds have ever been received into that account.

11. A search of the above cited bank records for Don House show numerous checks to Jewell Robbins from Mr. House and one check made payable to Don House from Al Costin in the amount of \$600 which was endorsed over to Ms. Robbins.
12. After the filing of the OFI Motion for Contempt in October of 2006, OFI received a list titled "NAMES OF ALL SALE & ASSIGNMENT HOLDERS FOR JEWELL ROBBINS" with a date of 10/25/2006. This list contains a total of 9,955 lines, each line bearing the name of an individual, an entity or several individuals jointly.
13. The contracts specifying the individual ownership of said sales and assignments (hereinafter "S&As") indicate that interests are based on how many interests are owned, with an interest being .01%. The contract was identified by Terri Stone in her deposition.
14. Since 100% is the entire corpus of whatever is being divided, there can be no more than 10,000 S&As. If more than 10,000 are issued, then there have been oversales which would constitute securities fraud.
15. If each of the lines in the list referenced in 11.*supra* own only one interest they would represent 99.55% of the total, leaving only .45% remaining. Even if committeemen like Mr. House donated all of their interest back to Ms. Robbins, **she has sold more interests since the Injunction was entered than they could possibly have owned.**
16. The names of the individuals sending checks and money orders to Ms. Robbins in the records from the joint account (Terri Stone and Alvina J. Robbins) at U S Bank were compared to the list of all holders of S&As supplied to OFI, the majority of the names **were not on the list.** This would refute a suggestion that these payments were simply "gifts" from existing investors.
17. Based on the foregoing, there can be no other reasonable conclusion than that Ms. Robbins has continued selling S&As in violation of the Voluntary Injunction.

Further the affiant sayeth not.

Ronda Paul
Investigator
Office of Financial Institutions

COUNTY OF FRANKLIN

STATE OF KENTUCKY

The foregoing Affidavit in Response to Respondent's Response to Motion for Summary Judgment was signed and acknowledged before me this ____ day of April, 2007 by Ronda Paul.

Notary Public

My Commission Expires:
